## **Introduced by Senator Machado**

February 10, 2005

An act to amend—Section 31100.5 Sections 31012 and 31100.5 of, and to add Chapter 4.6 (commencing with Section 31180) to Division 21 of, the Public Resources Code, relating to coastal resources, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 200, as amended, Machado. Sacramento-San Joaquin Delta Conservancy Program.

Existing law authorizes the State Coastal Conservancy to acquire, manage, direct the management of, and conserve specified coastal lands and wetlands in the state. Existing law requires 6 Members of the Legislature, appointed as specified, to meet with the State Coastal Conservancy and participate in its activities to the extent not incompatible with their legislative positions.

This bill would additionally provide that these appointments shall balance representation among coastal California, the San Francisco Bay Area, and the delta appropriate to the conservancy's activities.

This bill would establish the Sacramento-San Joaquin Delta Conservancy Program, to be administered by the conservancy, for the purpose of restoring, enhancing, and protecting the unique agricultural, economic, natural, cultural, recreational, public access, and urban waterfront resources and opportunities of the Sacramento-San Joaquin Delta, as defined, in a coordinated, comprehensive, and effective manner, as prescribed.

Existing law establishes the Coastal Trust Fund in the State Treasury, a continuously appropriated trust fund, to receive and  $SB 200 \qquad \qquad -2-$ 

disburse funds paid to the State Coastal Conservancy in trust, subject to the right of recovery to fulfill the purposes of the trust, as provided. Existing law creates the San Francisco Bay Area Conservancy Program Account in the fund, and requires that moneys in the account be expended solely for conservancy purposes.

This bill would create the Sacramento-San Joaquin Delta Conservancy Program Account in the Coastal Trust Fund, and would require that funds in the account be expended for the purposes of the Sacramento-San Joaquin Delta Conservancy Program. The bill would require that the State Coastal Conservancy deposit in the account all of the funds it receives for the purposes of the program from sources other than the state or federal government, and not otherwise provided for in a specified statute, thereby making an appropriation.

Existing law establishes the State Coastal Conservancy Fund, and requires that moneys in the fund be available for appropriation for specified purposes relating to coastal and wetlands restoration and protection.

The bill would create the Sacramento-San Joaquin Delta Conservancy Program Account in the State Coastal Conservancy Fund, for the purpose of depositing and disbursing funds, upon appropriation by the Legislature, for the administration and implementation of the program. The bill would require that interest on any funds in the account accrue to the General Fund, and that the conservancy account for all deposits and reimbursements of funds in the account.

The bill would create the Sacramento-San Joaquin Delta Conservancy Program Account in the State Coastal Conservancy Fund, for the purpose of depositing and disbursing funds for the administration and implementation of the program. The bill would require that the money in the account be segregated into 2 subaccounts; one of which would contain state funds that are appropriated by the Legislature for the purposes of the program; and one of which would contain nonstate funds that are derived from other sources, exclusive of federal funds, for the purposes of the program.

Vote: majority. Appropriation: <del>no</del>-yes. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 31012 of the Public Resources Code is amended to read:

- 31012. (a) The Coastal Trust Fund is hereby established in the State Treasury, to receive and disburse funds paid to the conservancy in trust, subject to the right of recovery to fulfill the purposes of the trust, as provided in this section.
- (b) (1) There is in the Coastal Trust Fund the San Francisco Bay Area Conservancy Program Account, which shall be expended solely for the purposes of Chapter 4.5 (commencing with Section 31160).
- (2) The conservancy shall deposit in the San Francisco Bay Area Conservancy Program Account all funds received by the conservancy for the purposes of the San Francisco Bay Area Conservancy Program established under Chapter 4.5 (commencing with Section 31160), from sources other than the state or federal government and not provided for in subdivision (a) of Section 31164. These funds include, but are not limited to, private donations, fees, penalties, and local government contributions.
- (c) (1) There is in the Coastal Trust Fund the Sacramento-San Joaquin Delta Conservancy Program Account. Funds in the account shall be expended solely for the purposes of Chapter 4.6 (commencing with Section 31180).
- (2) The conservancy shall deposit in the account all of the funds it receives for the purposes of the Sacramento-San Joaquin Delta Conservancy Program established under Chapter 4.6 (commencing with Section 31180) from sources other than the state or federal government, and not provided for in subdivision (a) of Section 31187.
- (d) There is in the Coastal Trust Fund the Coastal Program Account. Funds in the Coastal Program Account shall be expended solely for their specified trust purposes.
- (2) Upon approval of the Department of Finance, the conservancy shall deposit in the Coastal Program Account all funds paid to the conservancy in trust for purposes of this division, except those funds identified in paragraph (2) of subdivision (b). The funds that shall be deposited in the Coastal Program Account, upon that approval, include, but are not

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limited to, funds that are paid to the conservancy in trust for purposes of mitigation, for settlement of litigation, instead of other conditions of coastal development permits or other regulatory entitlements, or for other trust purposes consistent with this division and specified by the terms of a gift or contract. Funds in the Coastal Program Account shall be separately accounted for according to their source and trust purpose. Funds may not be deposited in the Coastal Program Account without the Department of Finance's approval.

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(e) Interest that accrues on funds in the Coastal Trust Fund shall be retained in the Coastal Trust Fund and available for expenditure by the conservancy for the trust purposes.

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(f) The conservancy shall maintain separate accountings of funds within the Coastal Trust Fund, pursuant to its fiduciary duties, for the purpose of separating deposits and interest on those deposits, according to their trust purposes.

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(g) Notwithstanding Section 13340 of the Government Code, all funds in the Coastal Trust Fund are continuously appropriated, without regard to fiscal year, to the conservancy to fulfill the trust purposes for which the payments of funds were made.

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(h) The conservancy shall provide an annual accounting to the Department of Finance of the conservancy's expenditures from, and other activities related to, the Coastal Trust Fund.

SECTION 1.

- 30 SEC. 2. Section 31100.5 of the Public Resources Code is 31 amended to read:
  - 31100.5. Three Members of the Senate, appointed by the Senate Rules Committee, and three Members of the Assembly, appointed by the Speaker of the Assembly, shall meet with the conservancy and participate in its activities to the extent that such participation is not incompatible with their respective positions as Members of the Legislature. These appointments shall balance representation among coastal California, the San Francisco Bay Area, and the delta appropriate to the conservancy's activities,

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and shall assure that each area is represented by at least one 2 Member of the Legislature. 3

SEC. 2.

SEC. 3. Chapter 4.6 (commencing with Section 31180) is added to Division 21 of the Public Resources Code, to read:

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## Chapter 4.6. Sacramento-San Joaquin Delta Conservancy Program

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- 31180. The Sacramento-San Joaquin Delta Conservancy Program is established pursuant to this chapter, to be administered by the conservancy, for the purpose of restoring, enhancing, and protecting the unique agricultural, economic, natural, cultural, historical, recreational, public access, and urban waterfront resources and opportunities of the Sacramento-San Joaquin Delta in a coordinated, comprehensive, and effective manner.
- 31181. (a) The Legislature hereby finds and declares that the Sacramento-San Joaquin Delta constitutes a region of significant statewide importance to the people of California. The Legislature further finds and declares that one of the state's primary goals for the delta is to protect, maintain, enhance, and restore the overall quality of the delta environment with respect to resources, including, but not limited to, agriculture, wildlife habitat, public access, and recreational opportunities.
- (b) The Legislature further finds that, in order to protect the delta, it is important that urban development not occur in the primary zone, as defined in Section 29728, so that agriculture, wildlife, and recreation are allowed to flourish.
- 31182. For purposes of this chapter, the following terms have the following meanings:
- (a) "Commission" means the Delta Protection Commission as established pursuant to Chapter 3 (commencing with Section 29735) of Division 19.5.
- (b) "Delta" means the Sacramento-San Joaquin Delta, as defined in Section 12220 of the Water Code, and, in addition, the area within the incorporated limits of the City of Rio Vista.
- 38 (c) "Program" means the Sacramento-San Joaquin Delta 39 Conservancy Program established pursuant to this chapter.

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31183. The conservancy may undertake projects in the delta and may award grants or make loans to public agencies and nonprofit organizations to achieve the following goals of the program:

- (a) Promotion of farming in a manner that integrates agricultural activities with environmental protection and that also sustains the economics of the region through wildlife-friendly farming practices, implementation of innovative farming technology, improvement of water quality and water usability, enhancement of habitat, integrated pest management practices, and other approaches.
- (b) Protection of farmland and promotion of agricultural viability, including, but not limited to, land used or usable for grazing.
- (c) Restoration, enhancement, provision, and protection of open space and natural areas.
- (d) Furthering compatibility of agricultural and other private land uses, recreational and educational uses, and wildlife protection.
- (e) Collaboration with public or private entities and individuals that support the economy of the communities and rural areas of the delta, including urban waterfronts.
  - (f) Provision of public access and recreational opportunities.
- (g) Protection, restoration, and support of the economy of culturally and historically important places.
- 31184. For purposes of this chapter only, the conservancy may not undertake or fund an acquisition of property rights where there is not a willing seller.
- 31185. In developing projects under the program, the conservancy shall give priority to those projects that meet all of the following criteria:
- (a) Supported by adopted local or regional plans.
  - (b) Serve a multijurisdictional or regional constituency.
- (c) Have multiple objectives.
- 35 (d) Include matching funds from other sources of funding or 36 assistance. The matching funds obligation can be satisfied by the 37 provision of in-kind activities that further the goals of the 38 conservancy.
  - (d) Can be implemented in a timely manner.

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(e) Serve more than one of the goals described in Section 31183.

- 31186. (a) The conservancy shall work with the commission to implement appropriate goals and policies of the resource management plan adopted by the commission pursuant to Section 29760. The conservancy shall conduct, in conjunction with the commission, an assessment of the conservation needs of the delta that describes the actions needed to fulfill the program's goals described in Section 31183.
- (b) The commission may request conservancy action through the program by resolution, or may adopt a list of priority areas or concerns that shall also provide guidance to the program.
- (c) At least 60 days prior to the conservancy approving a project, the conservancy shall submit a project description summary to the commission for review.
- 31187. (a) The Sacramento-San Joaquin Delta Conservancy Program Account is hereby created in the State Coastal Conservancy Fund for the purpose of depositing and disbursing funds for the administration and implementation of the program.
- (b) (1) The money in the account created pursuant to subdivision (a), which shall be available for expenditure upon appropriation by the Legislature, shall be segregated into two subaccounts, as follows:
- (A) One subaccount shall contain state funds that are appropriated by the Legislature for the purposes of this chapter. All interest that accrues on the funds in this subaccount shall be transferred to, and deposited into, the General Fund. The conservancy shall account for all deposits of funds in this subaccount that are derived from funds that were appropriated by the Legislature for the purposes of this chapter.
- (B) One subaccount shall contain nonstate funds that are derived from other sources, exclusive of federal funds, for the purposes of this chapter, including, but not limited to, private donations made for the purposes of this chapter, regulatory fees, and local government contributions made for the purposes of this chapter. All interest that accrues on the funds in this subaccount shall be retained in the subaccount and shall be available for expenditure by the conservancy for the purposes of this chapter. Not more than 3 percent of the funds that are deposited in this subaccount shall be utilized by the conservancy for general

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administration and planning purposes. No funds may be expended from this subaccount for an activity that would require a commitment of state funds in the future. The conservancy shall account for all deposits of funds in this subaccount for the purposes of this chapter.

- (2) All reimbursements, proceeds of sale, or other money received by the conservancy for the purposes of this chapter that are not expended on projects authorized under the program shall be deposited in the appropriate subaccount of the account.
- (1) The Sacramento-San Joaquin Delta Conservancy Program Account is hereby created in the State Coastal Conservancy Fund, for the purpose of depositing and disbursing funds, upon appropriation by the Legislature, for the administration and implementation of the Sacramento-San Joaquin Delta Conservancy Program. All funds that are appropriated for the purposes of this chapter, and all reimbursements, proceeds of sale, or other money received by the conservancy for the purposes of this chapter and derived from projects funded from this account shall be deposited in this account.
- (2) Interest on any funds in this account shall accrue to the General Fund. The conservancy shall account for all deposits and reimbursements of funds in this account.
- (b) Funds that are derived from other sources, exclusive of state or federal funds, for the purposes of this chapter shall be deposited in the Sacramento-San Joaquin Delta Conservancy Program Account created in the Coastal Trust Fund pursuant to subdivision (c) of Section 31012.
- (c) The conservancy is not required to undertake an activity pursuant to this chapter until funds from new sources that are not available to the conservancy as of January 1, 2006, are appropriated by the Legislature or otherwise made available to the conservancy for those purposes, and until the State Coastal Conservancy Fund is reimbursed from moneys in the account for all administrative or general planning funds expended by the conservancy for the purposes of this chapter prior to the appropriation of funds to, or the availability of funds in, the account for those purposes. In accomplishing the objectives of this chapter, the conservancy may exercise its authority as provided for in this division, as well as pursuant to all other express or implied authority granted to the conservancy.

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31188. In the report to the Governor and the Legislature required by Section 31108, the conservancy shall discuss its 2 progress in addressing the goals of this chapter, including, but not limited to, implementation of the long-term resource management plan adopted by the commission under Section 5 29760.

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